Grainwise

At Market Master

By Shelley Wetmore

May 15, 2009……………….…………..
As some producers are anxious to finish seeding, others are just as anxious for this weather to turn. Reseeding would NOT be welcomed—especially when dealing with some TUA changes. Previously, charges were attributed to a per acre cost. Now, some are attached to the seed. So, if reseeding has to be done, the cost truly does increase.

Canola prices, however, are great. Review the Bid Board where you'll see great opportunities. Consider booking at least a little. Remember last July when prices fell so fast it seemed like a dream to have had the chance of $17 canola. Check your farm records. How often has the price been in the $10.50 range?

Feed barley has remained flat to a little higher for May deliveries but prices for June are questionable. Here are a few points to ponder:

- Tremendously less fertilizer back-hauls in June—no break on freight.
- Barley destined for malt could now be destined for the feed market.
- Current bids for feed barley are less for June deliveries than for May.
- Will corn rally?

Have a great long weekend. I'm off to the Boyle area for camping where temperatures are expected to dip to minus 4—along with the fire bans ...

Watching ICE

Your weekly closing ICE futures $/MT

Canola	This Week	Last Week		Diff +/-
Jul 09	$476.80	$466.20	↑	$10.60
Nov 09	$472.80	$460.40	↑	$12.40
Jan 10	$476.80	$464.50	↑	$12.30
Mar 10	$478.90	$466.60	↑	$12.30
May 10	$481.90	$469.60	↑	$12.30
Jul 10	$483.90	$472.80	↑	$11.10
Barley	**This Week**	**Last Week**		**Diff +/-**
Jul 09	$152.80	$154.00	↓	($1.20)
Oct 09	$160.10	$160.00	↑	$0.10
Dec 09	$156.10	$156.00	↑	$0.10
Mar 10	$156.10	$156.00	↑	$0.10
Oct 10	$156.10	$156.00	↑	$0.10

Be Grainwise!

By Guest Columnist … Neil Blue, Grain Marketing Specialist

US Grain

US crop planting progress is well behind the average pace. **Tuesday's monthly USDA supply-demand report** confirmed pre-report estimates of tight old crop soybean supplies, a potential sharp drop in US corn stocks next crop year, and a continued rebuilding of world wheat supplies. Growing season price volatility is increasing and corn and soybean stocks are tight enough to result in extreme price swings over the next couple of months.

Soy Complex

The USDA reduced its forecasted 2008-09 US soybean ending stocks to 130 million bu, down from 165 million bu in the April report and 205 million bu last crop year. The carryover drop from April resulted from a 30-million bu increase in forecast exports to a new record and a soybean crush increase of 5 million bu. The forecast 130-million bu carryover results in a stocks-to-usage ratio of 4.3%, less than 3-weeks supply (extremely tight). In its initial projections for the 2009/2010 crop, USDA projected US soybean ending stocks to rebound to 230 million bu and expects new crop bean exports to rise by 20 million bushels from the record-setting level of the current crop year.

As of last Sunday, US soybean planting progress was at 14%, compared to the 5-year average of 25%. Since beans are usually seeded after corn, this is not yet a market factor but unseeded acreage intended for corn will most likely be seeded to beans which could restrain new crop soybean prices.

After reaching a 7-month high, JUL beans ended with a gain of 19 cents to $11.30/ buand NOV beans lost 4 cents to $9.76. JUL oil lost 171 points to 37.90 cents and meal gained $16.70/t to $358.20, the highest weekly close since September. JUL oil reached the 40-cent level before retreating and short-term technical indicators have turned negative for soyoil.

Reasons for Friday's drop in grain markets were profit-taking after recent price gains, overbought technical indicators, plus a turn lower in crude oil prices and the US stock market in general. However, the speculative crowd has jumped on the buy train and are unlikely to be discouraged at this point in the growing season—especially with fundamentals so price-supportive.

Corn

Due to continuing wet field conditions, the 2009 corn crop was only half planted as of last Sunday, similar to last year's slow rate but much slower than the 5-year average of 71%. From mid-May, delayed planting becomes increasingly important to acreage switching implications and the potential negative impact on corn yield.

USDA increased old crop corn use for ethanol and corn exports by 50 million bu, which reduced ending 2008/09 corn stocks by 100 million bu to 1.6 billion. Their estimate for new crop was more interesting—2009/10 US corn production at 12.1 billion bu, based on a yield of 155.4 bu/ac, below trend-line yield because of the slow planting pace. USDA projected 2009-10 corn ending stocks at 1.145 billion bu, below the average pre-report estimate and low enough to increase nervousness over 2009 corn production.

They projected old crop world corn stocks at 139.58 million tonnes, down from the April 143.33 MMT forecast. USDA forecast new crop world corn stocks at 128.19 MMT, another point in favour of corn market bulls.

After rallying mid-week to the highest level since January, JUL corn futures retreated on Friday to close at $4.17/bu, down 4 cents on the week. DEC corn futures ended one cent lower to close at $4.38.

Wheat

USDA is projecting old crop US wheat ending stocks of 669 million bu, down from 696 million bu in the April report, mainly because of a 30 million bu increase in forecast exports. USDA forecast US total winter wheat production at 1.502 billion bu (40.9 MMT), down 20% from last year. By class, USDA projected HRW production at 871 million bu (23.7 MMT), SRW at 422 million bu and winter white at 208 million bu. USDA forecast average US yields for all winter wheat at 44.2 bu/ac on harvested area of 34 million acres, down 14% from last year. HRW harvest area is down 9% and SRW is estimated to be down 30% from last year. Forecast new crop US wheat ending stocks is now 637 million bu, well below the average pre-report estimate of 653 million bushels.

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Offsetting the positive US wheat numbers was the world wheat estimates. USDA raised old crop world wheat stocks to 167 MMT from 158 MMT. USDA forecast new crop world wheat ending stocks to rise to 182 MMT.

Over the past week, JUL Chicago wheat futures lost 13 cents and JUL Kansas City wheat lost 2 cents. Supported by seeding delays in the northern US plains, Minneapolis wheat futures faired the best, with JUL MGE wheat up 5 cents, while new crop DEC MGE wheat lost 4 cents to close at $6.55/bushel.

Canadian Grain

Oilseeds

Canola futures prices were supported by the continued US oilseed price rally and by increasing concern over cool weather conditions. Colder than average temperatures are again forecast for the Prairies next week. A strong canola export line-up and crusher demand continues to support reasonably good basis levels, particularly for old crop contracts. Also supportive to canola, the recent Canadian dollar strength has abated as the stock market and crude oil prices backed off.

Over the week, JUL canola futures gained $10.60/MT to close at $476.80. NOV canola closed at $472.80, up $12.40/MT, the highest price level since last November.

Feedgrain

Lethbridge-area cash barley prices are quoted at $163 to $170/MT. Barley futures were supported by strength in the US corn market and restrained by ample supplies. From last Friday, JUL barley lost $1.20 to close at $152.80/MT, while new crop OCT barley closed virtually unchanged at $160.10.

At The Bin

Prices booked this week (net to the producer).

For new readers, here's how to interpret these listings:

- The commodity sold is listed under "grain".
- "Price" reflects the net dollars received. For example, after freight and brokerage, the producer in Innisfree gets $3.01 in his pocket. FOB stands for "freight on board." The producer with barley in Oyen, on the other hand, is *delivering* the barley himself to Enchant for a net price of $3.53, after brokerage.
- "When" refers to the time frame of grain movement.
- "Producer" lists where the grain originates from.

Grain	Price	When	Producer
Barley, 50 lb	$3.01 FOB	May	Innisfree
Barley, 50 lb	$3.53 del Enchant	May	Oyen
Barley, 50 lb	$3.00 FOB	June	Stony Plain
Barley, 50 lb	$3.00 FOB	June	Spruce Grove
Barley, 52 lb	$3.00 FOB	June	Mundare
Barley, 50 lb	$3.00 FOB	May	Westlock
Barley, 50 lb	$3.05 FOB	May	Millet
Barley, 48 lb	$3.00 FOB	May	St. Albert
Barley, 50 lb	$2.90 FOB	May	Colinton
Barley, 52 lb	$3.00 FOB	May	Blackfoot
Barley, 50 lb	$2.90 FOB	May	Pickardville
Barley, 50 lb	$3.32 FOB	May	Mossleigh
Wheat, feed	$4.50 FOB	May	Calmar
Wheat, feed	$4.50 FOB	May	Genesee
Wheat, feed	$4.76 FOB	June	Innisfree
Peas, yellow	$6.35 del Innisfail	May-June	Oyen
Canola	$10.48 del Crossfield	November	Sundre
Canola	$10.10 FOB	December	Consort
Canola	$10.30 del Fort Saskatchewan	December	Barrhead
Canola	$10.11 FOB	December	Warburg
Canola	$10.18 del Edmonton	November	Calmar
Canola	$10.50 FOB	June	Ryley

By The Number

	This Week	Last Week	Diff +/-
CME Live Cattle (JUN)	$82.38	$83.00	($0.63)
CME Live Hogs (JUN)	$66.53	$68.20	($1.68)
CDN Dollar (JUN)	$0.85	$0.87	($0.02)
Minneapolis Wheat (JUL)	$7.05	$5.91	$1.14
Kansas City Wheat (JUL)	$6.30	$6.32	($0.02)
Chicago Oats (JUL)	$2.28	$2.26	$0.02
Diesel (spot, Edmonton)	$64.80	$0.65	$64.15
Crude/Oil (JUN)	$56.34	$57.85	($1.51)

Bid Board

Buyers looking for grain (net prices)

For new readers, here's how to interpret these listings:

- The commodity the buyer would like to purchase is listed under "grain".
- The estimated movement time for grain delivery is listed under "when".
- The price and destination is listed under "location". For example, for May, one buyer is still looking for barley at $3.53 delivered to Lethbridge, after brokerage. Freight costs still need to be deducted from this price.

Grain	When	Location
Barley	May	$3.53 del Lethbridge
Barley	May	$2.99 del Mayerthorpe
Barley	May	$3.45 del Lethbridge
Barley	June	$3.42 del Lethbridge
Barley	June	$3.42 del Calgary
Wheat, feed	June	$4.90 del Red Deer
Wheat, 12.5% prt	June	$5.25 del Red Deer
Wheat, 12.5% prt	June	$4.84 FOB Wetaskiwin
Wheat, feed	June	$4.70 del Edmonton
Wheat, feed	Jun-Jul	$5.00 del Lloydminster
Peas, yellow	June	$6.35 del Innisfail
Peas, green	June	$9.00 del Innisfail
Peas, green 10% bleach	June	$8.40 del Innisfail
Peas, green 20% bleach	June	$7.94 del Innisfail
Peas, yellow	Aug-Oct	$5.75 del Innisfail
Peas, green	Aug-Oct	$7.00 del Innisfail
Rye, feed	June	$4.26 del Red Deer
Triticale, feed	June	$3.95 del Red Deer
Canola	June	$10.87 del Lloydminster
Canola	June	$10.71 del Edmonton
Canola	June	$10.86 del Lacombe
Canola	June	$10.93 del Crossfield
Canola	October	$10.21 del Lloydminster
Canola	October	$10.35 del Edmonton
Canola	October	$10.31 del Lacombe
Canola	October	$10.41 del Crossfield
Canola	December	$10.53 del Lloydminster
Canola	December	$10.48 del Edmonton
Canola	December	$10.52 del Lacombe
Canola	December	$10.57 del Crossfield
Canola	April 2010	$10.74 del Edmonton
Oats, milling	June	$2.21 del Barrhead
Oats, milling	October	$2.42 del Martensville
Oats, milling	October	$2.32 del Barrhead
Oats, milling	January 10	$2.56 del Martensville
Oats, milling	January 10	$2.46 del Barrhead
Oats, milling	March 10	$2.61 del Martensville
Oats, milling	March 10	$2.52 del Barrhead

Classifieds

Wanted: Older SuperB, Btrain, or tridum with good tarps, for farm use. Phone Jay Cory @ (780) 826-8758, Ardmore.

Equipment: 28' Bourgault air seeder, model FH528-34 with 2115 tank, 2" seeding spoons, very good condition. $15,000 OBO. Call Jason Megli @ (780) 878-4253 cell or (780) 877-2374 home, Ferintosh.

Equipment: 2006 Seed Hawk 50' with 12" spacing, c/w 2006 Bourgault 6350 tow between Air Tank, excellent condition. Asking $148,000 OBO. Kent at Erickson Agro, Irma, at (780) 336-5509.

Certified seed. Jamie @ Victoor Seed Farm, St. Albert, (780) 914-6027.
Certified AC Foremost CPSR wheat $ 9.75/bu
Certified AC Superb CWRS wheat $ 10.25/bu
Certified CDC Copeland malt barley $ 7.75/bu
Certified Ponoka 2R feed barley $ 6.50/bu
Certified Conlon 2R S Awn feed barley $ 6.50/bu

Certified seed. Ed Lefsrud (780) 336-6700 or Kevin Lefsrud (780) 336-5700, Viking. AC Metcalf malt barley, AC Splendor CWRS, Snowbird CWHW, Flanders and Hanly flax, Cutlass yellow peas.

Certified seed. Todd Clark, Tribend Ranch, Edmonton, (780) 499-5060.
Certified AC Foremost CPSR wheat $10.00/bu
Certified Superb CWRS wheat $11.00/bu
Certified AC Andrew CWSWS wheat $10.00/bu

Certified seed. Call Don Gibson Seeds, Sangudo, (780) 785-2588 or (780) 785-2214.
Certified Sundre barley $6.25/bu
Certified Ponoka barley $6.50/bu

Certified seed. Dave @ Bright's Seeds, New Norway, (780) 855-2240, briseed@mailhub.ca
Certified CDC Copeland barley $8.25/bu
Certified CDC Cowboy barley $7.50/bu
Certified CDC Coalition barley $8.50/bu
Certified AC Crystal wheat $10.00/bu
Certified Harvest wheat $11.75/bu

Common seed oats. 96% germination, Dennis in Lac La Biche at (780) 623-7709.

Common seed oats. Kevin, Two Hills, (780) 657-2477.

Common yellow pea seed. 99% germination, $9.00/bu rough, picked-up in Morinville, contact Mike @ (780) 719-0334.

Common oats and wheat seed. Craig Ference, Kirriemuir, (780) 753-1283.

It's +8 in Edmonton today … what month IS it? May or March?